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ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 1-26-05

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JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
 Dwight Ledoux, CPA
 1998
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 2003

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
 St. Landry Community Services, Inc.
 Opelousas, Louisiana

We have audited the accompanying statements of financial position of St. Landry Community Services, Inc., a nonprofit corporation, as of June 30, 2004 and 2003, and the related statements of activities and cash flows for the years then ended. These financial statements are the responsibility of St. Landry Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Landry Community Services, Inc., as of June 30, 2004 and 2003, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated December 21, 2004 on our consideration of the St. Landry Community Services, Inc's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Our audits were performed for the purpose of forming an opinion on the financial statements taken as a whole. The schedule listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements of St. Landry Community Services, Inc. Such information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

John S. Dowling & Company
 Opelousas, Louisiana
 December 21, 2004

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2004 AND 2003

	UNRESTRICTED		TEMPORARILY RESTRICTED				TOTAL		
			SAVE OUR		PROJECT		CREDIT		
	2004	2003	2004	2003	2004	2003	2004	2003	
ASSETS									
Cash and cash equivalents	\$113,311	\$123,391	\$2,820	\$2,820	\$61,244	\$(3,858)	\$73,275	\$250,650	\$122,353
TANF funds receivable		23,333			71,235				71,235
Project P.A.S.S. receivable									23,333
Due from unrestricted	36,395	1,697					145,297	145,297	1,697
Due from Save Our Sons and Daughters		331						78,485	1,697
Prepaid insurance		148,752							331
Total current assets	<u>149,706</u>	<u>148,752</u>	<u>2,820</u>	<u>2,820</u>	<u>61,244</u>	<u>67,377</u>	<u>42,090</u>	<u>474,432</u>	<u>218,949</u>
Office furniture and equipment, net	2,008	2,434			43,352	11,905		72,586	14,339
Total noncurrent assets	<u>2,008</u>	<u>2,434</u>	<u>-0-</u>	<u>-0-</u>	<u>43,352</u>	<u>11,905</u>	<u>-0-</u>	<u>72,586</u>	<u>14,339</u>
Total assets	<u>151,714</u>	<u>151,186</u>	<u>2,820</u>	<u>2,820</u>	<u>104,596</u>	<u>79,282</u>	<u>218,572</u>	<u>547,018</u>	<u>233,288</u>
LIABILITIES AND NET ASSETS									
LIABILITIES									
Bank overdraft									
Accounts payable	\$3,970	\$3,672			\$6,324	\$2,068		\$32,975	11,148
Payroll withholdings payable					885			885	
Unemployment payable					1,487	1,697		1,487	1,697
Due to unrestricted					36,395			36,395	
Due to Project Bart					42,090			42,090	
Due to Credit Union								145,297	
Total current liabilities	<u>149,267</u>	<u>3,672</u>	<u>-0-</u>	<u>-0-</u>	<u>87,181</u>	<u>3,765</u>	<u>-0-</u>	<u>33,829</u>	<u>270,277</u>
Unrestricted, designated for Project P.A.S.S.		1,000							1,000
First Federal Cooperative Credit Union		143,861							143,861
Unrestricted, undesignated	2,447	2,653						2,447	2,653
Temporarily restricted									
Mid-South contribution			\$2,820	\$2,820	17,415	75,517		2,820	2,820
Save Our Sons and Daughters								17,415	75,517
Project Bart								35,487	
Credit Union								\$218,572	
Total net assets	<u>2,447</u>	<u>147,514</u>	<u>2,820</u>	<u>2,820</u>	<u>17,415</u>	<u>75,517</u>	<u>218,572</u>	<u>218,572</u>	<u>225,851</u>
Total liabilities and net assets	<u>151,714</u>	<u>151,186</u>	<u>2,820</u>	<u>2,820</u>	<u>104,596</u>	<u>79,282</u>	<u>218,572</u>	<u>547,018</u>	<u>233,288</u>

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	<u>URBAN AFFAIRS</u>	
	<u>2004</u>	<u>2003</u>
<u>UNRESTRICTED</u>		
<u>REVENUES AND OTHER SUPPORT</u>		
State grants		
Governor's Office of Urban Affairs and Development	\$160,000	\$188,000
Louisiana Department of Education	187,387	90,000
Interest income	587	367
Miscellaneous		57
<u>Total revenues and other support</u>	<u>347,974</u>	<u>278,424</u>
<u>EXPENSES</u>		
<u>Administrative</u>		
Personnel - salaries	49,216	34,820
Personnel - fringe benefits	4,618	5,697
Telephone and postage	2,388	1,222
Rent, utilities, and janitorial service	5,000	5,100
Audit	3,500	2,800
Office supplies	2,877	2,218
Depreciation	994	1,168
Travel	361	84
Miscellaneous	1,325	
<u>Total administrative</u>	<u>70,279</u>	<u>53,109</u>
<u>Direct Services</u>		
PFCE Program (Parents, Family and Children Education)		
Personnel - salaries		14,400
Personnel - fringe benefits		2,327
Opelousas Junior Police Program mini-grant	\$3,000	2,350
Palmetto VISTA mini-grant	470	470
Christ the King Church - Black History Museum mini-grant	470	470
4-H Foundation		581
Immaculate Conception		940
Sunset/Grand Coteau MLKC	250	500
St. Marks Methodist Women	250	250
First Cooperative FC Union	73,275	130
Washington Elementary School mini-grant	470	470
Fr. Pierre Lebeau Community Center	940	
Southern Development Foundation	300	
St. Landry Parish School Board	4,552	
Sunset Elementary	470	470
Project Home Grown	1,600	1,880
Northwest High School	1,140	940

Continued on next page.

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES - CONTINUED
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	<u>URBAN AFFAIRS</u>	
	<u>2004</u>	<u>2003</u>
<u>EXPENSES - Continued</u>		
<u>Direct Services - Continued</u>		
North Central High	\$940	\$940
Thensted Outreach Center	940	940
Community Family Life Center	940	
Opelousas High School		1,000
KOC2 103.7 FM	650	
Save Our Sons and Daughters	1,150	1,000
Grand Coteau Elementary	470	470
Plaisance Elementary	470	470
Project P.A.S.S.	<u>187,387</u>	<u>90,000</u>
<u>Total direct services</u>	<u>280,134</u>	<u>120,998</u>
<u>Nonprogram Costs</u>	<u>5</u>	<u>5</u>
<u>Total expenses</u>	<u>350,418</u>	<u>174,112</u>
<u>DEFICIENCY OF REVENUES UNDER EXPENSES</u>	<u>(2,444)</u>	<u>104,312</u>
<u>OTHER INCREASES (DECREASES)</u>		
Transfer from Project Bart	2,674	
Transfer to Credit Union	<u>(145,297)</u>	
<u>Total other increases (decreases)</u>	<u>(142,623)</u>	<u>-0-</u>
<u>Change in Net Assets</u>	<u>(145,067)</u>	<u>104,312</u>
<u>UNRESTRICTED NET ASSETS, beginning of year</u>	<u>147,514</u>	<u>43,202</u>
<u>UNRESTRICTED NET ASSETS, end of year</u>	<u>2,447</u>	<u>147,514</u>

Continued on next page.

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES - CONTINUED
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	<u>MID-SOUTH</u>	<u>2004</u>	<u>2003</u>	<u>SAVE OUR SONS AND</u>	<u>PROJECT</u>	<u>CREDIT</u>
				<u>DAUGHTERS</u>	<u>BART</u>	<u>UNION</u>
				<u>2004</u>	<u>2004</u>	<u>2004</u>
<u>TEMPORARILY RESTRICTED</u>						
<u>REVENUES AND OTHER SUPPORT</u>						
Federal grant				\$181,768		
State grant				\$240,429		
Governor's Office of Urban Affairs and Development					\$167,662	\$73,275
Louisiana Department of Education				1,150		
Mini-grant	-0-	-0-		1,000		
Total revenues and other support	-0-	-0-		<u>241,429</u>	<u>167,662</u>	<u>73,275</u>
<u>EXPENSES</u>						
<u>Administrative</u>						
Personnel - salaries				17,675	2,500	
Personnel - fringe benefits				1,538	191	
Staff development				240		
Consultant				400	7,625	
Telephone and postage				405		
Rent, utilities, and janitorial service				8,312	3,700	
Audit				1,145	797	
Office supplies				8,502	720	
Depreciation				573		
Travel				152		
Other				273		
Total administrative	-0-	-0-		<u>38,702</u>	<u>14,736</u>	<u>-0-</u>
<u>Direct Services</u>						
Salaries				108,392	82,072	
Fringe benefits				15,975	8,617	
Contract labor				54,421		
Transportation labor				14,840		
Staff development				2,264		
Classroom supplies				34,339		
Bus driver mileage				16,780		
Tee shirts				1,189		
					12,039	

Continued on next page.

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
STATEMENTS OF ACTIVITIES - CONTINUED
FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	<u>MID-SOUTH</u>		<u>SAVE OUR SONS AND</u>		<u>PROJECT</u>		<u>CREDIT</u>	
	<u>2004</u>	<u>2003</u>	<u>DAUGHTERS</u>		<u>BART</u>		<u>UNION</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>		<u>2004</u>	
<u>EXPENSES - Continued</u>								
<u>Direct Services - Continued</u>								
Repair and maintenance			\$2,300	\$379		406		
Insurance			1,402			6,525		
Incentives						2,346		
Field trip expense			20,712	5,121		2,760		
Travel			154	564				
<u>Total direct services</u>	<u>-0-</u>	<u>-0-</u>	<u>202,318</u>	<u>159,451</u>		<u>114,765</u>		<u>-0-</u>
<u>Total expenses</u>	<u>-0-</u>	<u>-0-</u>	<u>241,020</u>	<u>179,429</u>		<u>129,501</u>		<u>-0-</u>
<u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER)</u>	<u>-0-</u>	<u>-0-</u>	<u>(58,102)</u>	<u>62,000</u>		<u>38,161</u>		<u>\$73,275</u>
<u>OTHER INCREASES (DECREASES)</u>								
Transfer to Urban Affairs						(2,674)		
Transfer from Urban Affairs								145,297
<u>Total other increases (decreases)</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>		<u>(2,674)</u>		<u>145,297</u>
<u>Change in Net Assets</u>								
TEMPORARILY RESTRICTED NET ASSETS, beginning of year			(58,102)	62,000		35,487		218,572
TEMPORARILY RESTRICTED NET ASSETS, end of year	<u>2,820</u>	<u>2,820</u>	<u>75,517</u>	<u>13,517</u>				
TEMPORARILY RESTRICTED NET ASSETS, end of year	<u>2,820</u>	<u>2,820</u>	<u>17,415</u>	<u>75,517</u>		<u>35,487</u>		<u>218,572</u>

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
 OPELOUSAS, LOUISIANA
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	TEMPORARILY RESTRICTED						CREDIT UNION 2004	
	UNRESTRICTED		MID-SOUTH		SAVE OUR SONS AND DAUGHTERS			PROJECT BART 2004
	2004	2003	2004	2003	2004	2003		
CASH FLOWS FROM OPERATING ACTIVITIES								
Cash received from federal grant	\$370,720	\$254,667			\$253,003	\$201,066	\$73,275	
Cash received from state grants					1,150	1,000		
Cash received - mini-grant	(53,834)	(57,244)			(141,208)	(51,844)	(93,380)	
Cash paid for salaries and fringes	(280,134)	(104,271)			(84,682)	(125,439)	(34,547)	
Cash paid for subcontracts	(14,827)	(11,799)						
Cash paid to suppliers	587	367						
Interest earned		57						
Other receipts	2,674				42,090		(2,674)	
Transfers in							(42,090)	
Transfers out								
Cash paid to SOSAD								
Net cash provided (used) by operating activities	25,186	81,777	-0-	-0-	70,353	24,783	73,275	
CASH FLOWS USED BY INVESTING ACTIVITIES								
Purchase of fixed assets	(1,451)				(39,949)	(12,416)	(27,946)	
Removal of P.P. & E.	883							
Net cash used by investing activities	(568)	-0-	-0-	-0-	(39,949)	(12,416)	-0-	
CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES								
Operating loan	(34,698)	17,525			34,698	(17,525)		
NET INCREASE (DECREASE) IN CASH	(10,080)	99,302			65,102	(5,158)	73,275	
CASH, beginning of year	123,391	24,089	\$2,820	\$2,820	(3,858)	1,300		
CASH, end of year	113,311	123,391	2,820	2,820	61,244	(3,858)	73,275	

Continued on next page.

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
 OPELOUSAS, LOUISIANA
 STATEMENTS OF CASH FLOWS - CONTINUED
 FOR THE YEARS ENDED JUNE 30, 2004 AND 2003

	TEMPORARILY RESTRICTED				PROJECT BART 2004	CREDIT UNION 2004
	UNRESTRICTED		SAVE OUR SONS AND DAUGHTERS			
	2004	2003	2004	2003		
RECONCILIATION OF INCREASE (DECREASE) IN NET ASSETS TO NET CASH PROVIDED BY OPERATING ACTIVITIES						
Increase (decrease) in net assets	\$ (145,067)	\$ 104,312	\$ (58,102)	\$ 62,000	\$ 35,487	\$ 218,572
Adjustments to reconcile:						
Depreciation	994	1,168	8,502	511	720	
(Increase) decrease in prepaid insurance	331	(96)				
(Increase) decrease in receivables	23,333	(23,333)	71,235	(39,363)	(42,090)	(145,297)
(Increase) decrease in due from accounts						
Increase (decrease) in accounts payable	298	(274)	4,256	1,635	854	
Increase (decrease) in payroll liabilities			885			
Increase (decrease) in due to accounts	145,297		42,090			
Increase (decrease) in unemployment payable			1,487			
Net cash provided (used) by operating activities	25,186	81,777	-0-	24,783	(5,029)	73,275

The accompanying notes are an integral part of these financial statements.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. NATURE OF ACTIVITIES

St. Landry Community Services, Inc. is a nonprofit corporation which has been sponsoring the Save Our Sons and Daughters Program since November 1, 2001. The Program's primary purpose is to encourage the formation and maintenance of two-parent families through the provision of supervised, structured out-of-school activities for students to reduce out of wedlock births. The program also provides homework assistance to approximately one hundred fifty students ages nine through fourteen. St. Landry Community Services, Inc. also sponsors after school church-based tutorial programs and supports worthwhile eligible community programs. Support for St. Landry Community Services, Inc. comes primarily from the Governor's Office of Urban Affairs and Development of the State of Louisiana and the Save Our Sons and Daughters Program through the Louisiana Department of Education. St. Landry Community Services, Inc. also began sponsoring Project BART February 23, 2004. This program's primary purpose is to enhance skills of middle school students during the out-of-school hours. Community Services, Inc. has been setting aside money to be used for a Credit Union for low-income families in the St. Landry Parish area.

B. BASIS OF ACCOUNTING

The financial statements of St. Landry Community Services, Inc., have been prepared on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Purchases of operating supplies are regarded as expenditures at the time purchased and inventories of such supplies (if any) are not recorded as assets at the close of the fiscal year, unless material.

C. PROPERTY AND EQUIPMENT

Fixed assets are recorded at cost. Donated assets are recorded at fair market value. Such donated assets are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Depreciation is computed using the straight-line method based on the estimated useful life of each asset. Average lives for video libraries, and office furniture and equipment are estimated to be 5-7 years. Maintenance and repairs are charged to operations when incurred.

D. ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

E. INCOME TAXES

St. Landry Community Services, Inc. is a nonprofit corporation exempt from income taxes under the Internal Revenue Code Section 501(c)(4) and similar provisions of the State Code. Therefore, no provision for income taxes has been made.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003

NOTE (1) - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - Continued

F. BUDGET ACCOUNTING

St. Landry Community Services, Inc., prepares a budget on the cash basis which is approved by the funding agency.

G. STATEMENTS OF CASH FLOWS

For purposes of reporting the statements of cash flows, all highly liquid investments with a maturity of three months or less are considered to be cash equivalents.

H. COMPENSATED ABSENCES

Annual leave of fifteen (15) working days with pay is granted to the Coordinator and ten (10) working days with pay to the Secretary/Receptionist. Annual leave for all employees is required to be used in December of each year. There is no carry-over of annual leave.

All employees are entitled to a maximum of ten (10) days absences per year for sick leave. Any unused days shall be accumulated up to twenty (20) days a year. Employees are not paid for accumulated sick leave.

The amount of unused vacation, family and sick leave is not material at June 30, 2004 and 2003 and has not been accrued in these financial statements.

I. CONTRIBUTIONS

In accordance with SFAS NO. 117, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

J. MEMORANDUM ONLY - TOTAL COLUMNS

Total columns on the accompanying statement of financial position are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE (2) - CASH

The book value of cash and cash equivalents for June 30, 2004 and 2003 consist of the following:

	<u>2004</u>	<u>2003</u>
Cash in noninterest-bearing account	\$148,598	\$78,862
Cash in interest-bearing accounts	<u>69,077</u>	<u>43,491</u>
	<u>217,675</u>	<u>122,353</u>

St. Landry Community Services, Inc.'s cash is not fully secured.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003

NOTE (3) - RETIREMENT PLAN

Employees of St. Landry Community Services, Inc. are on the Social Security Retirement System.

NOTE (4) - OFFICE FURNITURE AND EQUIPMENT

The following is a summary of office furniture and equipment at June 30, 2004 and 2003:

	<u>UNRESTRICTED</u>		<u>TEMPORARILY RESTRICTED</u>		
			<u>SAVE OUR SONS AND DAUGHTERS</u>		<u>PROJECT BART</u>
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>
Video library			\$17,706		\$6,007
Office furniture and equipment - at cost or fair market value	\$17,769	\$16,318	34,659	\$12,416	21,939
Accumulated depreciation	(15,761)	(13,884)	(9,013)	(511)	(720)
<u>Net</u>	<u>2,008</u>	<u>2,434</u>	<u>43,352</u>	<u>11,905</u>	<u>27,226</u>
Depreciation expense	\$994	\$1,168	\$8,502	\$511	\$720

The cost of office furniture and equipment at June 30, 2004 and 2003 includes a copier donated to St. Landry Community Services, Inc. in a prior year with a fair market value of \$2,400.

NOTE (5) - NONPROGRAM COSTS

The nonprogram costs at June 30, 2004 and 2003 consist of the following:

	<u>2004</u>	<u>2003</u>
Filing fees	\$5	\$5
	<u>5</u>	<u>5</u>

NOTE (6) - TEMPORARILY RESTRICTED NET ASSETS

During the fiscal year ended June 30, 1996, St. Landry Community Services, Inc. received a grant of \$5,000 to support the development of a model program which would empower parents and other adults to encourage and motivate children and youth. Grant money in the amount of \$2,180 was expended in prior years. The remainder of \$2,820 remains temporarily restricted as of June 30, 2004 and 2003.

During the current fiscal year, St. Landry Community Services, Inc. received a grant through the Federal program called "Temporary Assistance for Needy Families" (TANF), CFDA #93.558. The objective of the Community Services program is to provide homework assistance and after school tutoring to students of ages nine through fourteen. The grant is reimbursed to St. Landry Community Services, Inc. based on the number of students and contact hours submitted. Money accumulated for Project BART and the Credit Union also remain temporarily restricted as of June 30, 2004.

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2004 AND 2003.

NOTE (7) - CONCENTRATIONS OF CREDIT RISK

St. Landry Community Services, Inc. maintains cash in a local bank which may, at the time of initial receipt, exceed the FDIC limits.

Credit risk for revenue is concentrated as well because of the volume of business transacted with a particular grantor.

NOTE (8) - NET ASSETS DESIGNATED

There are several designations for St. Landry Community Services, Inc.'s net assets. Funds of \$1,000 was designated for Project P.A.S.S. at June 30, 2003. This money was spent during the current year.

As of June 30, 2003, \$143,861 was designated for the First Federal Cooperative Credit Union. During 2004, a new fund was set up for Urban Affairs' activities. All money designated as Credit Union funds are temporarily restricted as of June 30, 2004.

Russell J. Stelly, CPA
 Chizal S. Fontenot, CPA
 James L. Nicholson, Jr., CPA
 G. Kenneth Pavy, II, CPA
 Michael A. Roy, CPA
 Lisa Trouille Manuel, CPA

Dana D. Quebedeaux, CPA



JOHN S. DOWLING & COMPANY
 A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

John S. Dowling, CPA
 1904-1984

Retired

Harold Dupre, CPA
 1996
 John Newton Stout, CPA
 1998
 Dwight Ledoux, CPA
 1998
 Joel Lanclos, Jr., CPA
 2003

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
 OVER FINANCIAL REPORTING BASED ON AN AUDIT OF
 FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS

To the Board of Directors
 St. Landry Community Services, Inc.
 Opelousas, Louisiana

We have audited the financial statements of St. Landry Community Services, Inc., a nonprofit organization, as of and for the year ended June 30, 2004, and have issued our report thereon dated December 21, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether St. Landry Community Services, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered St. Landry Community Services, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting.

Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

To the Board of Directors
St. Landry Community Services, Inc.
Page 2

This report is intended solely for the information and use of the Board of Directors, management and the Governor's Office of Urban Affairs and Development of the State of Louisiana and is not intended to be and should not be used by anyone other than these specified parties.

John S. Dowling & Company

Opelousas, Louisiana
December 21, 2004

ST. LANDRY COMMUNITY SERVICES, INC.
OPELOUSAS, LOUISIANA
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED JUNE 30, 2004

Section I - Internal Control and Compliance Material to the Financial Statements

N/A

Section II - Internal Control and Compliance Material to Federal Awards

N/A

Section III - Management Letter

N/A